

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



SW-02199A  
Pima Utility Company (Sewer)  
9532 East Riggs Rd.  
Sun Lakes, AZ 85248

**RECEIVED**

MAY 15 2007

AZ CORP COMM  
Director Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2006
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FOR COMMISSION USE

ANN 04	06
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PROCESSED BY:

5-16-07

SCANNED

## COMPANY INFORMATION

<b>Company Name (Business Name)</b> <u>Pima Utility Company - Sewer Division</u>			
<b>Mailing Address</b> <u>9532 E. Riggs Rd.</u>			
<u>San Lakes</u> (City)		<u>AZ</u> (State)	<u>85248</u> (Zip)
<u>(480) 895-9200</u> Telephone No. (Include Area Code)		<u>(480) 895-4347</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			
<b>Local Office Mailing Address</b> <u>24607 S. Price Rd.</u>			
<u>San Lakes</u> (City)		<u>AZ</u> (State)	<u>85248</u> (Zip)
<u>(480) 895-5009</u> Local Office Telephone No. (Include Area Code)		<u>(480) 802-9463</u> Fax No. (Include Area Code)	<u>(602) 757-1548</u> Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			

## MANAGEMENT INFORMATION

<b>Management Contact:</b> <u>James Ponlos</u>			
		<u>General Manager</u>	
		(Name)	(Title)
<u>9532 E. Riggs Rd.</u>			
<u>San Lakes</u> (City)		<u>AZ</u> (State)	<u>85248</u> (Zip)
<u>(480) 895-9200</u> Telephone No. (Include Area Code)		<u>(480) 895-4347</u> Fax No. (Include Area Code)	 Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			
<b>On Site Manager:</b> <u>Dave Voorhees</u>			
		(Name)	
<u>24607 S. Price Rd.</u>			
<u>San Lakes</u> (City)		<u>AZ</u> (State)	<u>85248</u> (Zip)
<u>(480) 895-5009</u> Telephone No. (Include Area Code)		<u>(480) 802-9463</u> Fax No. (Include Area Code)	<u>(602) 757-1548</u> Pager/Cell No. (Include Area Code)
<b>Email Address</b> _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

<b>Statutory Agent:</b> <u>James O. Hubbard</u>			
(Name)			
<u>9532 E. Riggs Rd.</u>	<u>Sun Lakes</u>	<u>AZ</u>	<u>85248</u>
(Street)	(City)	(State)	(Zip)
<u>(480) 895-9200</u>			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Pager/Cell No. (Include Area Code)			
<b>Attorney:</b> <u>Marty Aronson</u>			
(Name)			
<u>One E. Camelback</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85012</u>
(Street)	(City)	(State)	(Zip)
<u>(602) 263-2972</u>			
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	
Pager/Cell No. (Include Area Code)			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE             | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM              | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input checked="" type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA                | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI             | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

COMPANY NAME Pima Utility Company - Sewer Division

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
351	Organization			
352	Franchises			
353	Land and Land Rights	92,008	Ø	92,008
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	5,866,925	2,551,960	3,314,965
362	Special Collecting Structures	611,688	166,911	444,777
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells	1,285,403	775,109	510,294
380	Treatment and Disposal Equip.	10,246,600	3,241,709	7,004,891
381	Plant Sewers			
382	Outfall Sewer Lines	524,269	274,464	249,805
389	Other Plant and Misc. Equipment	341,481	257,030	84,451
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	<b>TOTALS</b>	<b>18,968,374</b>	<b>7,267,183</b>	<b>11,701,191</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

Pima Utility Company - Sewer Division

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
351	Organization			
352	Franchises			
353	Land and Land Rights	92,008	Ø	Ø
354	Structures and Improvements			
355	Power Generation Equipment			
360	Collection Sewers – Force			
361	Collection Sewers – Gravity	5,866,925	1.84	107,966
362	Special Collecting Structures	611,688	2.00	12,234
363	Services to Customers			
364	Flow Measuring Devices			
365	Flow Measuring Installations			
370	Receiving Wells	1,285,403	6.49	83,459
380	Treatment and Disposal Equip.	10,246,600	4.70	481,558
381	Plant Sewers			
382	Outfall Sewer Lines	524,269	6.84	35,873
389	Other Plant and Misc. Equipment	341,481	5.68	19,388
390	Office Furniture and Equipment			
391	Transportation Equipment			
393	Tools, Shop and Garage Equip.			
394	Laboratory Equipment			
395	Power Operated Equipment			
398	Other Tangible Plant			
	TOTALS	18,968,374	3.90	740,478

This amount goes on the Comparative Statement of Income and Expense Acct. 403

COMPANY NAME Pima Utility Company - Sewer Division

**BALANCE SHEET**

Acct .No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$	\$
132 <del>134</del>	<del>Working Funds</del> Special Deposits	1,254,753	1,259,257
135	Temporary Cash Investments		
141	Customer Accounts Receivable	295,517	257,921
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	2,092,775	2,028,644
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 3,643,045	\$ 3,545,822
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 18,869,205	\$ 18,968,374
103	Property Held for Future Use		
105	Construction Work in Progress		11,522
108	Accumulated Depreciation – Utility Plant	(6,484,320)	(7,267,183)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 12,384,885	\$ 11,712,713
	<b>TOTAL ASSETS</b>	\$ 16,027,930	\$ 15,258,535

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Pima Utility Company - Sewer Division

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$ 49,847	\$ 60,930
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	1,589,256	755,184
235	Customer Deposits		
236	Accrued Taxes	101,857	100,889
237	Accrued Interest	296,706	283,838
241	Miscellaneous Current and Accrued Liabilities	7,847	5,860
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 2,045,513	\$ 1,206,701
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 8,185,000	\$ 7,830,000
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	343,412	343,412
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	937,694	937,694
272	Less: Amortization of Contributions	(544,711)	(587,095)
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 736,395	\$ 694,011
	<b>TOTAL LIABILITIES</b>	\$ 10,966,908	\$ 9,730,712
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 72,624	\$ 72,624
211	Paid in Capital in Excess of Par Value	4,037,614	4,037,614
215	Retained Earnings	950,781	1,417,585
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 5,061,022	\$ 5,527,823
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 16,027,930	\$ 15,258,535

COMPANY NAME

Pima Utility Company - Sewer Division

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
521	Flat Rate Revenues	\$ 2,703,694	\$ 2,836,901
522	Measured Revenues	147,065	163,596
536	Other Wastewater Revenues	154,870	106,160
	<b>TOTAL REVENUES</b>	<b>\$ 3,005,629</b>	<b>\$ 3,106,657</b>
	<b>OPERATING EXPENSES</b>		
701	Salaries and Wages	\$ 354,670	\$ 377,254
710	Purchased Wastewater Treatment		
711	Sludge Removal Expense		
715	Purchased Power	154,945	159,999
716	Fuel for Power Production		
718	Chemicals	63,558	64,768
720	Materials and Supplies	306,656	317,589
731	Contractual Services – Professional	20,438	9,330
735	Contractual Services – Testing	21,533	21,504
736	Contractual Services – Other	46,200	50,820
740	Rents		
750	Transportation Expense		
755	Insurance Expense	29,771	94,272
765	Regulatory Commission Expense		
775	Miscellaneous Expense	96,751	38,144
403	Depreciation Expense	741,825	740,478
408	Taxes Other Than Income		
408.11	Property Taxes	203,724	201,778
409	Income Taxes		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 2,040,071</b>	<b>\$ 2,075,936</b>
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$ 23,828	\$ 42,352
421	Non-Utility Income	2,740	259
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	(631,544)	(606,531)
	<b>TOTAL OTHER INCOME/EXPENSE</b>	<b>\$ (604,926)</b>	<b>\$ (563,920)</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$ 360,632</b>	<b>\$ 466,801</b>



COMPANY NAME	Pima Utility Company - Sewer Division
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## SUPPLEMENTAL FINANCIAL DATA

### Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12/12/95			
Source of Loan	IOA Bonds			
ACC Decision No.	59130			
Reason for Loan	Construction			
Dollar Amount Issued	\$ 10,300,000	\$	\$	\$
Amount Outstanding	\$ 7,830,000	\$	\$	\$
Date of Maturity	Various			
Interest Rate	7.25 %	%	%	%
Current Year Interest	\$ 580,544	\$	\$	\$
Current Year Principle	\$ 355,000	\$	\$	\$

COMPANY NAME Pima Utility Company - Sewer Division

## WASTEWATER COMPANY PLANT DESCRIPTION

### TREATMENT FACILITY

<b>TYPE OF TREATMENT</b> (Extended Aeration, Step Aeration, Oxidation Ditch, Aerobic Lagoon, Anaerobic Lagoon, Trickling Filter, Septic Tank, Wetland, Etc.)	Sequential Batch Reactors with aerobic digesters, sand filtration, and ultra-violet disinfection
<b>DESIGN CAPACITY OF PLANT</b> (Gallons Per Day)	2,400,000

### LIFT STATION FACILITIES

Location	Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump (GPM)	Wet Well Capacity (gals)
See Attached				

### FORCE MAINS

Size	Material	Length (Feet)
4-inch		
6-inch	Included in Collection System	

### MANHOLES

Type	Quantity
Standard	1,396
Drop	

### CLEANOUTS

Quantity
220

PIMA UTILITY COMPANY

A STATEMENT ATTACHED TO AND MADE PART OF THE ANNUAL SEWER REPORT  
TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDED DECEMBER 31, 2006

Location		Quantity of Pumps	Horsepower Per Pump	Capacity Per Pump	Wet Well Capacity	
Maryland	Lift Station #1	2	20	650	14,960	Gallons
Dobson	Lift Station #2	2	15	500	1,878	Gallons
Cochise	Lift Station #3	2	5	375	2,900	Gallons
S. Brentwood	Lift Station #4	2	3.5	250	2,900	Gallons
N. Brentwood	Lift Station #5	2	3.5	250	2,900	Gallons
N. Alma School	Lift Station #6	2	2.5	250	3,229	Gallons
S. Alma School	Lift Station #7	2	3.5	250	3,229	Gallons
Santan	Lift Station #8	2	3.5	250	3,229	Gallons
Sunnydale	Lift Station #9	2	3.5	250	3,229	Gallons
Unit 27	Lift Station #10	2	7.5	500	18,700	Gallons
Unit 31	Lift Station #11	2	10	500	18,700	Gallons
Unit 32	Lift Station #12	2	15	750	134,640	Gallons
Yard	Lift Station #13	2	10	500	2,000	Gallons
McDonalds	Lift Station #14	2	2	200	2,000	Gallons
SanTan Vista	Lift Station #15	2	2	250	2,000	Gallons

COMPANY NAME Pima Utility Company - Sewer Division

**WASTEWATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**COLLECTION MAINS**

Size (in inches)	Material	Length (in feet)
4	PVC	18,401
6	PVC	19,102
8	PVC	392,322
10	PVC	62,042
12	PVC	31,076
15	PVC	2,541
18		
21		
24		
30		
2	PVC	200

**SERVICES**

Size (in inches)	Material	Quantity
4	Poly & Copper	9,785
6	Poly & Copper	93
8		
12		
15		

**FOR THE FOLLOWING FIVE ITEMS, LIST THE UTILITY OWNED ASSETS IN EACH CATEGORY**

<b>SOLIDS PROCESSING AND HANDLING FACILITIES</b>	Centrifuge
<b>DISINFECTION EQUIPMENT</b> (Chlorinator, Ultra-Violet, Etc.)	ULTRA - VIOLET
<b>FILTRATION EQUIPMENT</b> (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Sand & Anthracite
<b>STRUCTURES</b> (Buildings, Fences, Etc.)	Left Stations, Operation Building, Solids Building, MCC Screens, Presses, Generator, Sludge Pumps, Polymer blender, Thickener, Centrifuge, Scrubber, equipment galler, EQ Tanks, SBR's filters UV disinfection, Effluent Pump Station
<b>OTHER</b> (Laboratory Equipment, Tools, Vehicles, Standby Power Generators, Etc.)	Laboratory Supplies

COMPANY NAME Pima Utility Company - Sewer Division

**WASTEWATER FLOWS**

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF SERVICES	TOTAL MONTHLY SEWAGE FLOW	SEWAGE FLOW ON PEAK DAY
Jan 2006	9,640	37,838,000	1,363,000
Feb 2006	9,658	34,637,000	1,364,000
Mar 2006	9,709	39,712,000	1,547,000
Apr 2006	9,740	35,730,000	1,445,000
May 2006	9,782	32,126,000	1,223,000
Jun 2006	9,808	28,755,000	1,159,000
Jul 2006	9,839	29,371,000	1,104,000
Aug 2006	9,876	29,353,000	1,095,000
Sep 2006	9,901	29,194,000	1,144,000
Oct 2006	9,933	32,735,000	1,252,000
Nov 2006	9,946	35,500,000	1,440,000
Dec 2006	9,963	37,047,000	1,393,000

**PROVIDE THE FOLLOWING INFORMATION AS APPLICABLE**

Method of Effluent Disposal (leach field, surface water discharge, reuse, injection wells, groundwater recharge, evaporation ponds, etc.)	Recharge & reuse
Wastewater Inventory Number (all wastewater systems are assigned an inventory number)	100557
Groundwater Permit Number	N/A
ADEQ Aquifer Protection Permit Number	P100557
ADEQ Reuse Permit Number	R1000557
EPA NPDES Permit Number	N/A

STATISTICAL INFORMATION

Total number of customers 9,963

Total number of gallons treated 401,998 gallons

COMPANY NAME Pima UTILITY Company - Sewer Division YEAR ENDING 12/31/2006

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2006 was: \$ 202,746.34

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

THIS CHECK IS VOID WITHOUT A GREEN & BLUE BORDER AND BACKGROUND PLUS A KNIGHT & FINGERPRINT WATERMARK ON THE BACK - HOLD AT ANGLE TO VIEW					
<p><b>PIMA UTILITY COMPANY-WATER DIVISION</b></p> <p>9532 E Riggs Rd Sun Lakes, AZ 85248-7411</p> <p><b>Pay</b></p> <p>ONE HUNDRED FIFTY EIGHT THOUSAND THREE HUNDRED TWENTY TWO AND 29/100 *****</p> <p>Dollars</p> <p>To The Order Of <b>MARICOPA COUNTY TREASURER</b> 301 W JEFFERSON ST PHOENIX AZ 85003-2143</p> <p><i>[Signature]</i></p> <p>SIGNATURE AREA CONTAINS A KNIGHT &amp; FINGERPRINT CHECK WORDING</p>					
<p>JPMorgan Chase Bank, N.A. 201 N Central Ave Dept 383 Phoenix, AZ 85038</p> <p>91-2/1221</p> <p><b>312380</b></p> <table border="1"><thead><tr><th>Date</th><th>Amount</th></tr></thead><tbody><tr><td>04/07/06</td><td>\$***158,322.29</td></tr></tbody></table> <p>⑈312380⑈ ⑆122100024⑆ 0919 4278⑈ ⑆0015832229⑆</p> <p>ABSENCE OF PINK U.S. PATENT NUMBERS UNDER SIGNATURE INDICATES CHECK IS FRAUDULENT. PATENT NUMBERS ARE PRINTED WITH HEAT SENSITIVE INK &amp; WILL DISAPPEAR WHEN BLOWING OR RUBBING</p>		Date	Amount	04/07/06	\$***158,322.29
Date	Amount				
04/07/06	\$***158,322.29				

[illegible]

<u>Location</u>	<u>Acct #</u>	<u>Check #</u>	<u>Amount</u>	<u>Issue Date</u>	<u>Paid Date</u>	<u>Sequence</u>
CD	9194278	312380	\$158,322.29	4/7/2006	4/14/2006	5140733986
<u>Customer Data</u>	<u>Bank #</u>	<u>GL Category</u>	<u>CD Valid/CIMS Key</u>	<u>CD Label</u>		
20060407 MARICOPA	601	000000000000	20060428524801	20060428524801		



THIS CHECK IS VOID WITHOUT A GREEN & BLUE BORDER AND BACKGROUND PLUS A KNIGHT & FINGERPRINT WATERMARK ON THE BACK - HOLD AT ANGLE TO VIEW

**PIMA UTILITY COMPANY-WATER DIVISION**  
 9532 E Riggs Rd  
 Sun Lakes, AZ 85248-7411

**JPMorgan Chase Bank, N.A.**  
 201 N Central Ave Dept 383  
 Phoenix, AZ 85038

91-2/1221 **312929**

Date	Amount
10/13/06	\$***156,134.80

**Pay**

**ONE HUNDRED FIFTY SIX THOUSAND ONE HUNDRED THIRTY FOUR AND 80/100 \*\*\*\*\***  
 Dollars

To  
The  
Order  
Of

**MARICOPA COUNTY TREASURER**  
 301 W JEFFERSON ST  
 PHOENIX AZ 85003-2143

SIGNATURE AREA CONTAINS A KNIGHT & FINGERPRINT CHECK WORDING

⑈312929⑈ ⑆122100024⑆ 0919 4278⑈ ⑈0015613480⑈

ABSENCE OF PINK U.S. PATENT NUMBERS UNDER SIGNATURE INDICATES CHECK IS FRAUDULENT PATENT NUMBERS ARE PRINTED WITH HEAT SENSITIVE INK & WILL DISAPPEAR WHEN BLOWING OR RUBBING

THIS CHECK ALSO CONTAINS THE FOLLOWING SECURITY FEATURES WHICH ARE COVERED BY U.S. PATENT NOS. 6,801,000, 6,801,001, 6,801,002, 6,801,003, 6,801,004, 6,801,005, 6,801,006, 6,801,007, 6,801,008, 6,801,009, 6,801,010, 6,801,011, 6,801,012, 6,801,013, 6,801,014, 6,801,015, 6,801,016, 6,801,017, 6,801,018, 6,801,019, 6,801,020, 6,801,021, 6,801,022, 6,801,023, 6,801,024, 6,801,025, 6,801,026, 6,801,027, 6,801,028, 6,801,029, 6,801,030, 6,801,031, 6,801,032, 6,801,033, 6,801,034, 6,801,035, 6,801,036, 6,801,037, 6,801,038, 6,801,039, 6,801,040, 6,801,041, 6,801,042, 6,801,043, 6,801,044, 6,801,045, 6,801,046, 6,801,047, 6,801,048, 6,801,049, 6,801,050, 6,801,051, 6,801,052, 6,801,053, 6,801,054, 6,801,055, 6,801,056, 6,801,057, 6,801,058, 6,801,059, 6,801,060, 6,801,061, 6,801,062, 6,801,063, 6,801,064, 6,801,065, 6,801,066, 6,801,067, 6,801,068, 6,801,069, 6,801,070, 6,801,071, 6,801,072, 6,801,073, 6,801,074, 6,801,075, 6,801,076, 6,801,077, 6,801,078, 6,801,079, 6,801,080, 6,801,081, 6,801,082, 6,801,083, 6,801,084, 6,801,085, 6,801,086, 6,801,087, 6,801,088, 6,801,089, 6,801,090, 6,801,091, 6,801,092, 6,801,093, 6,801,094, 6,801,095, 6,801,096, 6,801,097, 6,801,098, 6,801,099, 6,801,100, 6,801,101, 6,801,102, 6,801,103, 6,801,104, 6,801,105, 6,801,106, 6,801,107, 6,801,108, 6,801,109, 6,801,110, 6,801,111, 6,801,112, 6,801,113, 6,801,114, 6,801,115, 6,801,116, 6,801,117, 6,801,118, 6,801,119, 6,801,120, 6,801,121, 6,801,122, 6,801,123, 6,801,124, 6,801,125, 6,801,126, 6,801,127, 6,801,128, 6,801,129, 6,801,130, 6,801,131, 6,801,132, 6,801,133, 6,801,134, 6,801,135, 6,801,136, 6,801,137, 6,801,138, 6,801,139, 6,801,140, 6,801,141, 6,801,142, 6,801,143, 6,801,144, 6,801,145, 6,801,146, 6,801,147, 6,801,148, 6,801,149, 6,801,150, 6,801,151, 6,801,152, 6,801,153, 6,801,154, 6,801,155, 6,801,156, 6,801,157, 6,801,158, 6,801,159, 6,801,160, 6,801,161, 6,801,162, 6,801,163, 6,801,164, 6,801,165, 6,801,166, 6,801,167, 6,801,168, 6,801,169, 6,801,170, 6,801,171, 6,801,172, 6,801,173, 6,801,174, 6,801,175, 6,801,176, 6,801,177, 6,801,178, 6,801,179, 6,801,180, 6,801,181, 6,801,182, 6,801,183, 6,801,184, 6,801,185, 6,801,186, 6,801,187, 6,801,188, 6,801,189, 6,801,190, 6,801,191, 6,801,192, 6,801,193, 6,801,194, 6,801,195, 6,801,196, 6,801,197, 6,801,198, 6,801,199, 6,801,200, 6,801,201, 6,801,202, 6,801,203, 6,801,204, 6,801,205, 6,801,206, 6,801,207, 6,801,208, 6,801,209, 6,801,210, 6,801,211, 6,801,212, 6,801,213, 6,801,214, 6,801,215, 6,801,216, 6,801,217, 6,801,218, 6,801,219, 6,801,220, 6,801,221, 6,801,222, 6,801,223, 6,801,224, 6,801,225, 6,801,226, 6,801,227, 6,801,228, 6,801,229, 6,801,230, 6,801,231, 6,801,232, 6,801,233, 6,801,234, 6,801,235, 6,801,236, 6,801,237, 6,801,238, 6,801,239, 6,801,240, 6,801,241, 6,801,242, 6,801,243, 6,801,244, 6,801,245, 6,801,246, 6,801,247, 6,801,248, 6,801,249, 6,801,250, 6,801,251, 6,801,252, 6,801,253, 6,801,254, 6,801,255, 6,801,256, 6,801,257, 6,801,258, 6,801,259, 6,801,260, 6,801,261, 6,801,262, 6,801,263, 6,801,264, 6,801,265, 6,801,266, 6,801,267, 6,801,268, 6,801,269, 6,801,270, 6,801,271, 6,801,272, 6,801,273, 6,801,274, 6,801,275, 6,801,276, 6,801,277, 6,801,278, 6,801,279, 6,801,280, 6,801,281, 6,801,282, 6,801,283, 6,801,284, 6,801,285, 6,801,286, 6,801,287, 6,801,288, 6,801,289, 6,801,290, 6,801,291, 6,801,292, 6,801,293, 6,801,294, 6,801,295, 6,801,296, 6,801,297, 6,801,298, 6,801,299, 6,801,300, 6,801,301, 6,801,302, 6,801,303, 6,801,304, 6,801,305, 6,801,306, 6,801,307, 6,801,308, 6,801,309, 6,801,310, 6,801,311, 6,801,312, 6,801,313, 6,801,314, 6,801,315, 6,801,316, 6,801,317, 6,801,318, 6,801,319, 6,801,320, 6,801,321, 6,801,322, 6,801,323, 6,801,324, 6,801,325, 6,801,326, 6,801,327, 6,801,328, 6,801,329, 6,801,330, 6,801,331, 6,801,332, 6,801,333, 6,801,334, 6,801,335, 6,801,336, 6,801,337, 6,801,338, 6,801,339, 6,801,340, 6,801,341, 6,801,342, 6,801,343, 6,801,344, 6,801,345, 6,801,346, 6,801,347, 6,801,348, 6,801,349, 6,801,350, 6,801,351, 6,801,352, 6,801,353, 6,801,354, 6,801,355, 6,801,356, 6,801,357, 6,801,358, 6,801,359, 6,801,360, 6,801,361, 6,801,362, 6,801,363, 6,801,364, 6,801,365, 6,801,366, 6,801,367, 6,801,368, 6,801,369, 6,801,370, 6,801,371, 6,801,372, 6,801,373, 6,801,374, 6,801,375, 6,801,376, 6,801,377, 6,801,378, 6,801,379, 6,801,380, 6,801,381, 6,801,382, 6,801,383, 6,801,384, 6,801,385, 6,801,386, 6,801,387, 6,801,388, 6,801,389, 6,801,390, 6,801,391, 6,801,392, 6,801,393, 6,801,394, 6,801,395, 6,801,396, 6,801,397, 6,801,398, 6,801,399, 6,801,400, 6,801,401, 6,801,402, 6,801,403, 6,801,404, 6,801,405, 6,801,406, 6,801,407, 6,801,408, 6,801,409, 6,801,410, 6,801,411, 6,801,412, 6,801,413, 6,801,414, 6,801,415, 6,801,416, 6,801,417, 6,801,418, 6,801,419, 6,801,420, 6,801,421, 6,801,422, 6,801,423, 6,801,424, 6,801,425, 6,801,426, 6,801,427, 6,801,428, 6,801,429, 6,801,430, 6,801,431, 6,801,432, 6,801,433, 6,801,434, 6,801,435, 6,801,436, 6,801,437, 6,801,438, 6,801,439, 6,801,440, 6,801,441, 6,801,442, 6,801,443, 6,801,444, 6,801,445, 6,801,446, 6,801,447, 6,801,448, 6,801,449, 6,801,450, 6,801,451, 6,801,452, 6,801,453, 6,801,454, 6,801,455, 6,801,456, 6,801,457, 6,801,458, 6,801,459, 6,801,460, 6,801,461, 6,801,462, 6,801,463, 6,801,464, 6,801,465, 6,801,466, 6,801,467, 6,801,468, 6,801,469, 6,801,470, 6,801,471, 6,801,472, 6,801,473, 6,801,474, 6,801,475, 6,801,476, 6,801,477, 6,801,478, 6,801,479, 6,801,480, 6,801,481, 6,801,482, 6,801,483, 6,801,484, 6,801,485, 6,801,486, 6,801,487, 6,801,488, 6,801,489, 6,801,490, 6,801,491, 6,801,492, 6,801,493, 6,801,494, 6,801,495, 6,801,496, 6,801,497, 6,801,498, 6,801,499, 6,801,500, 6,801,501, 6,801,502, 6,801,503, 6,801,504, 6,801,505, 6,801,506, 6,801,507, 6,801,508, 6,801,509, 6,801,510, 6,801,511, 6,801,512, 6,801,513, 6,801,514, 6,801,515, 6,801,516, 6,801,517, 6,801,518, 6,801,519, 6,801,520, 6,801,521, 6,801,522, 6,801,523, 6,801,524, 6,801,525, 6,801,526, 6,801,527, 6,801,528, 6,801,529, 6,801,530, 6,801,531, 6,801,532, 6,801,533, 6,801,534, 6,801,535, 6,801,536, 6,801,537, 6,801,538, 6,801,539, 6,801,540, 6,801,541, 6,801,542, 6,801,543, 6,801,544, 6,801,545, 6,801,546, 6,801,547, 6,801,548, 6,801,549, 6,801,550, 6,801,551, 6,801,552, 6,801,553, 6,801,554, 6,801,555, 6,801,556, 6,801,557, 6,801,558, 6,801,559, 6,801,560, 6,801,561, 6,801,562, 6,801,563, 6,801,564, 6,801,565, 6,801,566, 6,801,567, 6,801,568, 6,801,569, 6,801,570, 6,801,571, 6,801,572, 6,801,573, 6,801,574, 6,801,575, 6,801,576, 6,801,577, 6,801,578, 6,801,579, 6,801,580, 6,801,581, 6,801,582, 6,801,583, 6,801,584, 6,801,585, 6,801,586, 6,801,587, 6,801,588, 6,801,589, 6,801,590, 6,801,591, 6,801,592, 6,801,593, 6,801,594, 6,801,595, 6,801,596, 6,801,597, 6,801,598, 6,801,599, 6,801,600, 6,801,601, 6,801,602, 6,801,603, 6,801,604, 6,801,605, 6,801,606, 6,801,607, 6,801,608, 6,801,609, 6,801,610, 6,801,611, 6,801,612, 6,801,613, 6,801,614, 6,801,615, 6,801,616, 6,801,617, 6,801,618, 6,801,619, 6,801,620, 6,801,621, 6,801,622, 6,801,623, 6,801,624, 6,801,625, 6,801,626, 6,801,627, 6,801,628, 6,801,629, 6,801,630, 6,801,631, 6,801,632, 6,801,633, 6,801,634, 6,801,635, 6,801,636, 6,801,637, 6,801,638, 6,801,639, 6,801,640, 6,801,641, 6,801,642, 6,801,643, 6,801,644, 6,801,645, 6,801,646, 6,801,647, 6,801,648, 6,801,649, 6,801,650, 6,801,651, 6,801,652, 6,801,653, 6,801,654, 6,801,655, 6,801,656, 6,801,657, 6,801,658, 6,801,659, 6,801,660, 6,801,661, 6,801,662, 6,801,663, 6,801,664, 6,801,665, 6,801,666, 6,801,667, 6,801,668, 6,801,669, 6,801,670, 6,801,671, 6,801,672, 6,801,673, 6,801,674, 6,801,675, 6,801,676, 6,801,677, 6,801,678, 6,801,679, 6,801,680, 6,801,681, 6,801,682, 6,801,683, 6,801,684, 6,801,685, 6,801,686, 6,801,687, 6,801,688, 6,801,689, 6,801,690, 6,801,691, 6,801,692, 6,801,693, 6,801,694, 6,801,695, 6,801,696, 6,801,697, 6,801,698, 6,801,699, 6,801,700, 6,801,701, 6,801,702, 6,801,703, 6,801,704, 6,801,705, 6,801,706, 6,801,707, 6,801,708, 6,801,709, 6,801,710, 6,801,711, 6,801,712, 6,801,713, 6,801,714, 6,801,715, 6,801,716, 6,801,717, 6,801,718, 6,801,719, 6,801,720, 6,801,721, 6,801,722, 6,801,723, 6,801,724, 6,801,725, 6,801,726, 6,801,727, 6,801,728, 6,801,729, 6,801,730, 6,801,731, 6,801,732, 6,801,733, 6,801,734, 6,801,735, 6,801,736, 6,801,737, 6,801,738, 6,801,739, 6,801,740, 6,801,741, 6,801,742, 6,801,743, 6,801,744, 6,801,745, 6,801,746, 6,801,747, 6,801,748, 6,801,749, 6,801,750, 6,801,751, 6,801,752, 6,801,753, 6,801,754, 6,801,755, 6,801,756, 6,801,757, 6,801,758, 6,801,759, 6,801,760, 6,801,761, 6,801,762, 6,801,763, 6,801,764, 6,801,765, 6,801,766, 6,801,767, 6,801,768, 6,801,769, 6,801,770, 6,801,771, 6,801,772, 6,801,773, 6,801,774, 6,801,775, 6,801,776, 6,801,777, 6,801,778, 6,801,779, 6,801,780, 6,801,781, 6,801,782, 6,801,783, 6,801,784, 6,801,785, 6,801,786, 6,801,787, 6,801,788, 6,801,789, 6,801,790, 6,801,791, 6,801,792, 6,801,793, 6,801,794, 6,801,795, 6,801,796, 6,801,797, 6,801,798, 6,801,799, 6,801,800, 6,801,801, 6,801,802, 6,801,803, 6,801,804, 6,801,805, 6,801,806, 6,801,807, 6,801,808, 6,801,809, 6,801,810, 6,801,811, 6,801,812, 6,801,813, 6,801,814, 6,801,815, 6,801,816, 6,801,817, 6,801,818, 6,801,819, 6,801,820, 6,801,821, 6,801,822, 6,801,823, 6,801,824, 6,801,825, 6,801,826, 6,801,827, 6,801,828, 6,801,829, 6,801,830, 6,801,831, 6,801,832, 6,801,833, 6,801,834, 6,801,835, 6,801,836, 6,801,837, 6,801,838, 6,801,839, 6,801,840, 6,801,841, 6,801,842, 6,801,843, 6,801,844, 6,801,845, 6,801,846, 6,801,847, 6,801,848, 6,801,849, 6,801,850, 6,801,851, 6,801,852, 6,801,853, 6,801,854, 6,801,855, 6,801,856, 6,801,857, 6,801,858, 6,801,859, 6,801,860, 6,801,861, 6,801,862, 6,801,863, 6,801,864, 6,801,865, 6,801,866, 6,801,867, 6,801,868, 6,801,869, 6,801,870, 6,801,871, 6,801,872, 6,801,873, 6,801,874, 6,801,875, 6,801,876, 6,801,877, 6,801,878, 6,801,879, 6,801,880, 6,801,881, 6,801,882, 6,801,883, 6,801,884, 6,801,885, 6,801,886, 6,801,887, 6,801,888, 6,801,889, 6,801,890, 6,801,891, 6,801,892, 6,801,893, 6,801,894, 6,801,895, 6,801,896, 6,801,897, 6,801,898, 6,801,899, 6,801,900, 6,801,901, 6,801,902, 6,801,903, 6,801,904, 6,801,905, 6,801,906, 6,801,907, 6,801,908, 6,801,909, 6,801,910, 6,801,911, 6,801,912, 6,801,913, 6,801,914, 6,801,915, 6,801,916, 6,801,917, 6,801,918, 6,801,919, 6,801,920, 6,801,921, 6,801,922, 6,801,923, 6,801,924, 6,801,925, 6,801,926, 6,801,927, 6,801,928, 6,801,929, 6,801,930, 6,801,931, 6,801,932, 6,801,933, 6,801,934, 6,801,935, 6,801,936, 6,801,937, 6,801,938, 6,801,939, 6,801,940, 6,801,941, 6,801,942, 6,801,943, 6,801,944, 6,801,945, 6,801,946, 6,801,947, 6,801,948, 6,801,949, 6,801,950, 6,801,951, 6,801,952, 6,801,953, 6,801,954, 6,801,955, 6,801,956, 6,801,957, 6,801,958, 6,801,959, 6,801,960, 6,801,961, 6,801,962, 6,801,963, 6,801,964, 6,801,965, 6,801,966, 6,801,967, 6,801,968, 6,801,969, 6,801,970, 6,801,971, 6,801,972, 6,801,973, 6,801,974, 6,801,975, 6,801,976, 6,801,977, 6,801,978, 6,801,979, 6,801,980, 6,801,981, 6,801,982, 6,801,983, 6,801,984, 6,801,985, 6,801,986, 6,801,987, 6,801,988, 6,801,989, 6,801,990, 6,801,991, 6,801,992, 6,801,993, 6,801,994, 6,801,995, 6,801,996, 6,801,997, 6,801,998, 6,801,999, 6,801,1000, 6,801,1001, 6,801,1002, 6,801,1003, 6,801,1004, 6,801,1005, 6,801,1006, 6,801,1007, 6,801,1008, 6,801,1009, 6,801,1010, 6,801,1011, 6,801,1012, 6,801,1013, 6,801,1014, 6,801,1015, 6,801,1016, 6,801,1017, 6,801,1018, 6,801,1019, 6,801,1020, 6,801,1021, 6,801,1022, 6,801,1023, 6,801,1024, 6,801,1025, 6,801,1026, 6,801,1027, 6,801,1028, 6,801,1029, 6,801,1030, 6,801,1031, 6,801,1032, 6,801,1033, 6,801,1034, 6,801,1035, 6,801,1036, 6,801,1037, 6,801,1038, 6,801,1039, 6,801,1040, 6,801,1041, 6,801,1042, 6,801,1043, 6,801,1044, 6,801,1045, 6,801,1046, 6,801,1047, 6,801,1048, 6,801,1049, 6,801,1050, 6,801,1051, 6,801,1052, 6,801,1053, 6,801,1054, 6,801,1055, 6,801,1056, 6,801,1057, 6,801,1058, 6,801,1059, 6,801,1060, 6,801,1061,

RECEIVED

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

APR 27 2007

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>James L. Poulos - General Manager</u>
COMPANY NAME	<u>Pima Utility Company - Sewer Division</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



SIGNATURE OF OWNER OR OFFICIAL

(480) 895-9200

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF  
VERONICA CUBBAGE  
NOTARY PUBLIC, STATE OF ARIZONA  
PINAL COUNTY  
My Comm. Expires August 1, 2008

THIS



(SEAL)

COUNTY NAME	<u>Pinal</u>
MONTH	<u>April</u>
	<u>2007</u>

Veronica Cubbage

SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 8/1/08

COMPANY NAME Pima Utility Company - Sewer Division YEAR ENDING 12/31/2006

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported Ø  
Estimated or Actual Federal Tax Liability Ø

State Taxable Income Reported Ø  
Estimated or Actual State Tax Liability Ø

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances Ø  
Amount of Gross-Up Tax Collected Ø  
Total Grossed-Up Contributions/Advances Ø

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

5/15/07  
DATE

James Poulos  
PRINTED NAME

General Manager  
TITLE

RECEIVED

APR 27 2007

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Maricopa</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>James L. Poulos - General Manager</u>
COMPANY NAME	<u>Pima UTILITY Company - Sewer Division</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2006</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 3,118,755

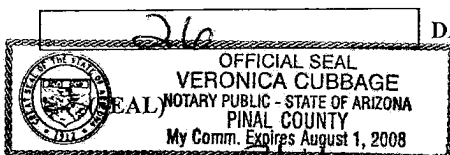
(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 12,098  
IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

MY COMMISSION EXPIRES 8/1/08

SIGNATURE OF OWNER OR OFFICIAL

(480) 895-9200

TELEPHONE NUMBER

COUNTY NAME

Pinal

MONTH

April

.2007

Veronica Cubbage  
SIGNATURE OF NOTARY PUBLIC

VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only

RECEIVED

APR 27 2007

AZ CORP COMM  
Director Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>James L. Poulos</u>	TITLE <u>General - Manager</u>
COMPANY NAME <u>Pima Utility Company - Sewer Division</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION  
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 2,776,603

THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 0  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

SIGNATURE OF OWNER OR OFFICIAL

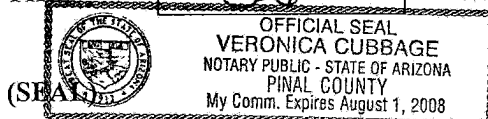
(480) 895-9200

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 26 DAY OF



MY COMMISSION EXPIRES 8/1/08

NOTARY PUBLIC NAME

Veronica Cubbage

COUNTY NAME

Pinal

MONTH

April

2007

X Veronica Cubbage

SIGNATURE OF NOTARY PUBLIC